

PAF REVIEW UPDATE – PAT REVIEW WORKSTREAM

MEETING NAME	Performance Assurance Board
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Purpose of paper	For information
Classification	Public
Summary	This paper provides an update on the progress with the Performance Assurance Technique (PAT) Review workstream

1. Introduction

- 1.1 This paper provides an update on the workstream and sets out the next steps.

2. Activity plan

- 2.1 The initial activity plan for the workstream was completed in early July 2018.
- 2.2 We worked with the ELEXON PAT owners to understand the dependencies of each assurance technique in order to develop a schedule for the detailed reviews.

3. Progress

- 3.1 Detailed technique reviews have been scheduled using the information received¹. Four of the techniques have contracts which are due to begin re-procurement planning between February 2019 and July 2019. It is therefore important for these reviews to be completed first. We have also considered what experts may be required to inform all reviews.
- 3.2 We have developed proposal documents for each technique. These set out our current position (guiding principle, review scope, constraints), perceived limitations or areas for improvement (based on stakeholder feedback and further discussion with technique owners), and possibilities (initial ideas for changes to the techniques).
- 3.3 The ideas for change will be added to and amended as the reviews progress.

4. Next steps

- 4.1 We will develop an ideal assurance toolkit while considering the limitations of the current toolkit. This will allow us to identify the gaps between the current & desired set of PATs.
- 4.2 The toolkit will consider what each of the PATs needs to achieve in order to meet the review scope (approved by BSC Panel ²) and to work together as a complete, complementary set of techniques.

¹ Trading Disputes, Education and Change Management are out of scope but if, during review of the remaining techniques, we identify any process improvements that affect those out of scope we will inform the PAT owners accordingly.

² https://www.elexon.co.uk/wp-content/uploads/2016/08/27_264_07_PAF_Review_Scope_Approach_Approval_PUBLIC.pdf

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- 4.3 We believe that the existing technique categories (Incentive, Preventative, Detective, and Remedial) are correct but we will examine how the techniques are applied and pay particular attention to where issues become caught in the process, affecting resolution.
- 4.4 As a result, the initial proposal documents (for internal use only) will be amended to reflect key ideas for change. The key ideas will be developed by the PAT Review Lead in discussion with the PAF Review team, PAT owners, subject matter experts and stakeholders.
- 4.5 We plan for the key ideas to be in place by mid-November 2018.
- 4.6 The detailed review of the techniques is currently planned to begin early November 2018 with a likely conclusion in the quarter 2 of 2020 (see Attachment A).
- 4.7 We intend to present our recommendations for change at the conclusion of each individual technique review. These will be progressed by liaising with the PAT owners and stakeholders to agree the changes and implement both within and outside of the BSC Change process. Mods and CPs can then be raised as required.
- 4.8 We currently plan to engage with Issue 69 Working Group in quarter 2 of 2019 with a focus on Peer Comparison, Breach & Default, EFR and escalation, Supplier Charges. Further engagement is planned for quarter 4 of 2019 which will focus on techniques that produce data.
- 4.9 We will seek to engage with PAB at appropriate times.

5. Recommendations

- 5.1 We invite you to:
 - a) **NOTE** the updates provided on this workstream.

Attachments

Attachment A – Timeline for detailed PAT reviews

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